No. 80-563

Supreme Court, U. S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1980

PREMO PHARMACEUTICAL LABORATORIES, INC., FEDERAL PHARMACAL, INC., SEYMOUR N. BLACKMAN, STEVEN BLACKMAN and JOHN BLACKMAN,

Petitioners,

v.

ELI LILLY AND COMPANY,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

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Question Presented

1. Whether the district court abused its discretion in granting a preliminary injunction in this case.

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The respondent Eli Lilly and Company respectfully requests that this Court deny the petition for a writ of certiorari, which seeks review of the Third Circuit's opinion in this case.

Reasons Why the Writ Should Be Denied

Summary

The courts below did not decide the merits of the five patent law questions presented in the petition because the only question before them was the propriety of granting

a preliminary injunction. Accordingly, the review sought in this Court must be limited to the single question of whether the trial court abused its discretion. This single question does not present important federal legal issues of the type for which Supreme Court review is appropriate. Therefore, the petition for a writ of certiorari should be denied.

Argument

The only questions that the petition asks this Court to review are five rather technical questions of patent law. However, none of those questions were decided below and they are not presently subject to review. The decision of the Third Circuit from which review is sought is merely an affirmance of the district court's order granting respondent's motion for a preliminary injunction. In this procedural posture neither the district court nor the court of appeals could have ruled on the merits of the five questions of patent law presented in the petition. *Doran* v. *Salem Inn, Inc.*, 422 U.S. 922, 932 (1975); *Brown* v. *Chote*, 411 U.S. 452, 456 (1973); *Mayo* v. *Lakeland Highlands Canning Co.*, 309 U.S. 310, 316 (1940).[1]

Since the lower courts could not and did not reach the merits, the only question that petitioners may properly present for review by this Court is whether the district court abused its discretion in granting the preliminary injunction:

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[1] For example, in *Mayo* v. *Lakeland Highlands Canning Co.*, 309 U.S. 310 (1940), this court reversed a decree granting a preliminary injunction entered by a three-judge panel in the Southern District of Florida on the grounds that the district court purported to reach the merits of the constitutionality of the Florida statute under attack in the complaint but failed to address the only questions properly before it on a motion for a preliminary injunction—whether the plaintiffs had raised "serious questions" concerning the constitutionality of the statute and whether the plaintiffs had shown irreparable injury from the continued enforcement of the statute. 309 U.S. at 316.

> "It is well-established doctrine that an application for an interlocutory injunction is addressed to the sound discretion of the trial court; and that an order either granting or denying such an injunction will not be disturbed by an appellate court unless the discretion was improvidently exercised.
>
> ". . . The duty of this Court, therefore, upon an appeal from such an order, at least generally, is not to decide the merits but simply to determine whether the discretion of the court below has been abused."

Alabama v. *United States*, 279 U.S. 229, 230-31 (1929). *Accord, Doran* v. *Salem Inn, Inc.*, 422 U.S. 922, 931-32 (1975); *Brown* v. *Chote*, 411 U.S. 452, 457 (1973); *Brotherhood of Locomotive Engineers* v. *Missouri-Kansas-Texas R.R.*, 363 U.S. 528, 535 (1960); *Mayo* v. *Lakeland Highlands Canning Co.*, 309 U.S. 310, 317 (1940).[2]

The district court did not abuse its discretion in granting a preliminary injunction in this case. The courts below applied the traditional test for a preliminary injunction and considered (1) the likelihood of respondent's ultimate success on the merits;[3] (2) the likelihood that re-

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[2] The rule is no different in a patent case: in reviewing a preliminary injunction, an appellate court should consider only whether the trial court has abused its discretion and should not attempt to rule on the merits of the case. *Eli Lilly & Co.* v. *Generix Drug Sales, Inc.*, 460 F.2d 1096, 1099 (5th Cir. 1972); *Packard Instrument Co.* v. *Ans, Inc.*, 416 F.2d 943, 945 (2d Cir. 1969).

[3] The petition, in passing, attacks the decisions below on the ground that they granted and affirmed the preliminary injunction despite the strict standard of likelihood of success required by *Carter-Wallace, Inc.* v. *Davis-Edwards Pharmacal Corp.*, 443 F.2d 867 (2d Cir. 1971), and earlier cases. Petition at 15 & n.16. There are two reasons why this issue does not affect the fact that certiorari is inappropriate in this case. First, whether or not respondent should have been required to meet the strict *Carter-*

(footnote continued on following page)

spondent would be irreparably injured without an injunction; (3) the possibility of harm to other interested parties; and (4) the public interest. Petition at 35a, 56a, 71a-73a. The five questions presented by petitioners deal solely with technical questions of patent law, and they are relevant only to the first part of this test, the likelihood of success on the merits.

In deciding that respondent was likely to succeed on the merits, the district court merely applied well established doctrines of patent law. For example, although the petition is devoted principally to an attack on the *Papesch* doctrine, three appellate courts in addition to the Third Circuit in this case have considered the doctrine and all four have adopted it. *See Eli Lilly & Co.* v. *Generix Drug Sales, Inc.*, 460 F.2d 1096 (5th Cir. 1972); *Commissioner of Patents* v. *Deutsche Gold-Und-Silber-Scheideanstalt Vormals Roessler*, 397 F.2d 656 (D.C. Cir. 1968); *In re Papesch*, 315 F.2d 381 (C.C.P.A. 1963).

Since the district court acted well within the bounds of its discretion in granting the preliminary injunction, there is no compelling reason why this Court should review the decisions of the courts below. The question of the district court's abuse of its discretion does not present important questions of federal law nor has it produced conflicts between federal and state courts or among the different federal circuits. Therefore, none of the considerations set forth in rule 17 of the Supreme Court Rules, which governs whether this Court will grant a petition for certiorari, are applicable.

(footnote continued from preceding page)

Wallace standard, the district court did in fact apply that standard in finding that the evidence of validity was strong enough to justify a preliminary injunction. Petition at 56a. Second, the *Carter-Wallace* court explicitly stated that the strict standard is applicable only in the absence of industry acquiescence. 443 F.2d at 871-73. *Accord, Rosenberg* v. *Groov-Pin Corp.*, 81 F.2d 46, 47 (2d Cir. 1936). In the instant case, the district court found strong evidence of industry acquiescence. Petition at 57a-62a.

Petitioners would have this Court skip the trial phase of this case to decide legal issues that may never be reached by the trial court. Petitioners will have the opportunity at trial to disprove any of the facts advanced by respondent in support of its motion for a preliminary injunction and to argue that the *Papesch* doctrine is inappropriate support for an order granting respondent's requested relief. In fairness to both petitioners and respondent, this Court should deny the petition so that the issues raised by the complaint and the questions presented in the petition may be first decided by the courts below.

Conclusion

For these reasons the petition for a writ of certiorari should be denied.

Respectfully submitted,

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Certificate of Service.

I hereby certify that on this 7th day of November, 1980, three copies of Respondent's Brief in Opposition to the Petition for a Writ of Certiorari were delivered by hand to the office of Peter T. Cobrin, Esq., 666 Fifth Avenue, New York, New York 10103, Counsel for the Petitioner. I further certify that all parties required to be served have been served.

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